Loss Suffered by AI

156. SHRI KRISHNA KUMAR BIRLA: Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether the Air India suffered losses worth Rs. 50 crores during the year 2000-2001 and the loss is expected to increase during 2001-2002;

(b) if so, the factors responsible for losses in Air India;

(c) whether the steps taken by Government to bring down its losses have proved to be ineffective;

(d) if so, the details thereof; and

(e) the details of other strategies Government propose to adopt to make Air India out of red?

THE MINISTER OF CIVIL AVIATION (SHRI SYED SHAHNAWAZ HUSSAIN): (a) and (b)The net loss suffered by Air India during the year 2000-2001 was Rs. 44.40 crores. As per budget estimates for the year 2001-02 Air India is expected to earn a profit of Rs. 21.50 crores. During the first six months of the current .financial year, Air India has posted a net profit of Rs. 12 crores and is poised to meet the budgeted profit. The main reasons for losses in recent years are:

(i) Severe competition in the international market resulting in an inability to achieve desired revenue yields or adhere to yield improvement programmes; (ii) Erosion in profit from operations in the Gulf region from 1992-93 due to new entrants in the market; (iii) increase in fuel costs; (iv) Higher burden of depreciation and financial costs due to devaluation of the Indian Rupee *vis-a-vis* the US dollar; (v) Weakening of the Rupee *vis-a-vis* other major hard currencies; and (vi) increase in interest expenditure on working capital loans.

(c) No, Sir.

(d) Does not arise.

(e) Air India has taken various steps to make them viable which includes:- (i) withdrawing of capacity from inherently loss making routes and redeploying it on more profitable routes; (ii) maximising the utilisation of the fleet within the constraints of pilot availability; (iii) dry leasing of aircraft to augment capacity; (iv) improvement in inflight service; (v) introduction of e-marketing effective January 2002 to enable passengers to make on line bookings through the net;

(vi) reduction in staff strength in India and abroad and (vii) abolition of several posts of India based officers abroad in the various departments.

Setting up of Aviation Security Force

157. SHRI K. KALAVENKATA RAO: Will the Minister of CIVIL AVIATION be pleased to state:

(a) the measures taken to make Indian skies safer for air travel keeping in view the terrorist attacks in die United States; and

(b) the action taken to set up the special Aviation Security Force at an early date?

THE MINISTER OF CIVIL AVIATION (SHRI SYED SHAHNAWAZ HUSSAIN): (a) The following measures have been taken to strengthen security at the airports in order to prevent hijackings and other unlawful interference with civil aviation operations:—

(i) Deployment of Sky Marshals on all routes of scheduled airlines at random basis.

(ii) Deployment of Central Industrial Security Force (CIS F) at all operational airports in a timebound manner.

(iii) Deployment of Quick Reaction Teams at major airports

(iv) Ladder point security check of passengers and their hand baggage made mandatory.

(b) CISF has now been entrusted with the responsibility of airport security.

Use of old Aircraft on Kolkata-Ne Region Routes

158. SHRI W. ANGOU SINGH: Will the Minister of CIVIL AVIATION - be pleased to state:

(a) whether Government are aware of the fact that the Aircrafts now utilized in North-Eastem Region from Kolkata are old and not up to the mark/properly serviceable;

(b) whether Government have not received the information of frequent happening of disturbance to the passengers on this route from Kolkata-Imphal *via* Silchar/Aizwal; and

(c) the measures taken up for changing the existing aircrafts?